

# Sovereign Wealth Fund

## 6/10

### SOVEREIGNTY SCORE

The Government of Canada is establishing a \$25 billion sovereign wealth fund designed to motivate private sector and retail investment in nation building projects that enhance Canada's economic resilience.

The Canada Strong Fund gets a 6 out of 10 on the Sovereignty Score.

Overall, this is a good policy that will strengthen Canada's economy — enhancing industrial capacity, delivering returns to Canadians and diversifying supply and value chains. But there are blind spots. The policy does not say anything specific about intangible assets or productivity-boosting innovation.

April 28, 2026



## The Canada Strong Fund gets a 6/10 on the Canadian Shield Institute's Sovereignty Score

On April 27, Prime Minister Mark Carney announced the Canada Strong Fund, a sovereign wealth fund seeded with \$25 billion from the Government of Canada. The fund is designed to motivate private sector and retail investment in projects that enhance Canada's economic resilience and independence.

The fund will invest in Canadian projects and companies and be designed to deliver returns to Canadians in two ways:

- First in returns to the fund, which will then be reinvested into the Canadian economy, and
- Second through returns to retail investors who will earn interest or see the value of their shares increase over time.

The \$25 billion will be allocated to the fund over three years. The value of the fund will hopefully increase over time through returns on the investments that the Canada Strong Fund makes. The government could also choose to allocate more funding or assets over time.

The fund will be run by a Crown corporation operating at arm's length from the government. More details will be released by the government in the coming months, and we're expecting a round of consultation with stakeholders, but Carney said they plan to move quickly.

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## Sovereignty Score

**Sovereignty: This section measures if and how the policy choice increases Canada’s sovereignty and strategic autonomy**

**1. Does the policy reduce dependence on foreign firms or diversify supply and value chains?**

**YES** – The policy aims to fund Canadian infrastructure in key strategic sectors like mining, which will diversify supply chains and reduce foreign dependencies. However, the success of this plan will depend heavily on whether the fund is designed to ensure Canada holds some control over these projects. Otherwise the fund will simply be acting as a catalyst for foreign investment which does not protect Canadian ownership and control.

**2. Does the policy put Canada in a stronger position to govern technology systems?**

**NO** – The fund will focus on investing in traditional infrastructure and will be used to expand that industrial base. Major nation-building projects may involve significant technology development and commercialization, but the government’s announcement is silent on issues of IP ownership and technological governance.

**3. Does the policy enhance Canadian national security and industrial capacity?**

**YES** – One of the biggest factors in advancing Canadian industrial capacity is access to new capital, which is exactly what the fund is mandated to do. But, the policy will fall short if the Canada Strong Fund is used simply to attract foreign investment leading to more Canadian infrastructure owned by foreign companies.

**4. Does the policy lead to greater competition and broader market participation, and avoid further entrenching monopoly power or market concentration?**

**NO** – The policy is aimed primarily at large infrastructure and nation-building projects, and the natural investment priority for those sorts of projects will be large incumbents. Without specific policies to ensure that some funding goes to new market participants, this fund will likely reinforce the status quo or even deepen existing monopolies.

**5. Does the policy support the development and growth of Canadian innovation?**

**NO** – The focus on traditional infrastructure and nation-building projects does not incentivize Canadian innovation directly. Large projects will likely include significant innovative technology elements, but we have not yet seen any clear policies that ensure IP and value capture for Canadian innovators.

**Economic Transformation: This section measures if and how the policy delivers value-add to people in Canada, short-term and long-term**

**6. Does the policy lead to the generation of intangible assets or economic value that is primarily retained by Canadian firms or public entities?**

**NO** – The Canada Strong Fund has the potential to generate returns for retail investors and the Canadian government, because the fund is mandated to deliver financial returns. However, the policy announcement does not include any details regarding control over the IP generated, and there's no clear requirement to ensure that the value-add created through the investments will be retained in Canada. Without a strategy in place, a significant portion of value is likely to be extracted by foreign economies.

**7. Does it create, sustain or improve quality jobs in Canada?**

**YES** – The projects supported by the Canada Strong Fund will create jobs in the construction sector, and jobs at infrastructure companies involved in major projects. Moreover, Prime Minister Carney has suggested that the government will prioritize the kind of infrastructure which opens up pathways for Canadian exports to reach new markets; in this way, the fund is likely to increase jobs in Canadian exporting industries.

**8. Does the policy increase skill utilization or broaden the skill base of Canadian workers?**

**YES** – This fund will invest in projects that incrementally utilize or broaden the skills of Canadian workers. New technologies and systems in construction, mining protocols, research and infrastructure operations will be an important component of this build-out.

**9. Is the policy designed to ensure that economic benefits create shared prosperity?**

**YES** – The retail investment portion of the Canada Strong Fund is designed to give Canadians a stake in a significant investment vehicle poised to boost the Canadian economy. Canadians will have the opportunity to earn returns through their investments and participate in shared prosperity. However, the benefits could be increased significantly if the fund is focussed on investing in Canadian companies and developing capacity in Canada that generates spillover benefits across more of the economy.

**10. Does the policy increase affordability and deliver pro-social benefits to Canadians?**

**YES** – Canadian companies lack access to the capital needed to seed and scale new technologies. This policy helps fill that gap. However, it will be essential to ensure the fund prioritizes Canadian companies and projects that deliver the infrastructure, governance oversight and new technologies that enable the investments to increase Canada's economic resilience.

## About The Canadian Shield Institute for Public Policy

The Canadian Shield Institute is a next-generation policy studio focused on developing Canada’s sovereignty and driving economic transformation. We work across infrastructure, industry, and innovation to confront systemic risks, retain economic value, and build the domestic capacity Canada needs to thrive. Our goal is a more prosperous, resilient, and independent future for all Canadians.

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